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INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT (TRUST DEED)

Dated as of August 15, 1974

From

FIRST NATIONAL BANK AND TRUST COMPANY
OF EVANSTON

To

FIRST NATIONAL BANK OF MINNEAPOLIS,
as Security Trustee

Relating to
Secured Bonds Due 1975-1995

(N.A.C. No. 74-1)

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SECURITY AGREEMENT (TRUST DEED)

SECURITY AGREEMENT (TRUST DEED) (the "Security Agreement") dated as of August 15, 1974 between FIRST NATIONAL BANK AND TRUST COMPANY OF EVANSTON, a national banking association, (the "Debtor") whose post office address is Post Office Box 712, Evanston, Illinois 60204 and FIRST NATIONAL BANK OF MINNEAPOLIS (the "Security Trustee"), whose post office address is 120 South Sixth Street, Minneapolis, Minnesota 55480.

WHEREAS, the defined terms used in this Security Agreement shall have the respective meanings indicated in Section 1 unless elsewhere defined or the context shall otherwise require.

WHEREAS, the Company has entered into an Interim Loan Agreement dated as of August 15, 1974 (the "Interim Loan Agreement") providing for the commitment of the institutional lender (the "Interim Lender") named in the Interim Loan Agreement to make loans to the Company on or prior to December 31, 1974 not exceeding the aggregate principal amount for the Interim Lender set forth in the Interim Loan Agreement to be evidenced by Interim Bonds (the "Interim Bonds") of the Company expressed to bear interest at the rate per annum set forth in the Interim Loan Agreement prior to maturity and to mature on the earlier of the Term Loan Closing Date (as defined in the hereinafter referred to Term Loan Agreements) or January 31, 1975 and to be otherwise substantially in the form attached as Exhibit A to the Interim Loan Agreement.

WHEREAS, the Company has entered into separate and several Term Loan Agreements each dated as of August 15, 1974 (the "Term Loan Agreements") providing for the several commitments of the institutional lenders (the "Term Lenders") named in the Term Loan Agreements to make loans to the Company on or prior to January 31, 1975 not exceeding the aggregate principal amount for each Term Lender respectively set forth in Schedule 1 to the Term Loan Agreements to be evidenced by Secured Bonds (the "Term Bonds") of the Company expressed to bear interest at the rate of 11% per annum prior to maturity, (or such other interest rate per annum as may be provided for in the Term Loan Agreements as executed), to be expressed to mature in 40 semiannual installments including both principal and interest on January 31 and July 31 in each year commencing July 31, 1975 to and including January 31, 1995, and to be otherwise substantially in the form of Exhibit A to the Term Loan Agreements.

WHEREAS, the proceeds of the Interim Bonds are to be applied by the Company to finance approximately 67% of the invoice cost of the Equipment described in Schedule 1 attached hereto and made a part hereof and on completion of the delivery to and acquisition by the Company of any Equipment and concurrently with the borrowings by the Company under the Interim Loan Agreement in respect of such Equipment, (i) the Company will sell such Equipment, subject to the Bond Mortgage and Security Agreement, to the Debtor, (ii) the Debtor will pay approximately 33% of the invoice cost of such Equipment in cash and will pay the balance of the purchase price by executing and delivering Assumption Agreements in respect of the Interim Bonds evidencing the borrowings by the Company in respect of such Equipment, and (iii) the Debtor will lease such Equipment to the Lessee under the Lease referred to in Section 1 hereof.

WHEREAS, the proceeds of the Term Bonds are to be applied to the payment of the Interim Bonds.

WHEREAS, as an inducement for and as further consideration for the loans made or to be made by the Lenders to the Company pursuant to the Loan Agreements, the Lenders require an assignment of all of the Debtor's right, title and interest in and to the Lease and all rents and other sums due and to become due thereunder.

WHEREAS, all of the requirements of law have been fully complied with and all other acts and things necessary to make this Security Agreement a valid, binding and legal instrument to secure the Indebtedness Hereby Secured have been done and performed.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure the payment of the principal and interest on the Bonds according to their tenor and effect, and to secure the payment of all other Indebtedness Hereby Secured and the performance and observance of all the covenants and conditions contained in the Bonds and this Security Agreement:

The Debtor hereby grants a security interest to the Security Trustee, its successors in trust and assigns, in and to the following described properties, rights, interests and privileges (hereinafter sometimes referred to as the "Collateral"):

All right, title and interest of the Debtor, as lessor, in to and under the Lease and all rents and other sums due and to become due thereunder, including any and all extensions or renewals thereof, it being the intent and purpose hereof that the assignment and transfer to the Security

Trustee of said rents and other sums due and to become due under the Lease shall be effective and operative immediately and shall continue in full force and effect, and the Security Trustee shall have the right to collect and receive said rents and other sums for application in accordance with the provisions of Section 4 hereof, at all times during the period from and after the date of this Security Agreement until the Indebtedness Hereby Secured has been fully paid and discharged.

SUBJECT, HOWEVER, to the right, title and interest of the Lessee under the Lease and the lien of current taxes and assessments not in default (but only if such taxes are entitled to priority as a matter of law) or, if delinquent, the validity of which is being contested in good faith.

TO HAVE AND TO HOLD the Collateral unto the Security Trustee, its successors in trust and assigns, forever; IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all present and future holders of the Bonds outstanding under the Loan Agreements, without preference, priority or distinction of any Bond over any other Bond by reason of priority at the time of issue, sale, negotiation, date of maturity thereof or otherwise for any cause whatsoever; provided, always, however, that these presents are upon the express condition that if the Company shall pay or cause to be paid all the Indebtedness Hereby Secured and shall observe, keep and perform all the terms and conditions, covenants and agreements herein and the Bonds contained, then these presents and the security interest hereby granted shall cease and this Security Agreement shall become null and void; otherwise this Security Agreement shall remain in full force and effect.

SECTION 1. DEFINITIONS.

The following terms shall have the following meanings for all purposes of this Security Agreement:

"Bond" shall mean any of, and "Bonds" shall mean all of, the Interim Bonds and Term Bonds from time to time outstanding under the Bond Mortgage and Security Agreement.

"Bond Mortgage and Security Agreement" shall mean the Bond Mortgage and Security Agreement (Trust Deed) dated as of August 15, 1974 from the Company to the Security Trustee.

"Company" shall mean North American Car (Canada) Limited, a corporation duly incorporated under the laws of the Province of Ontario, Canada and shall also include its successors and assigns, including without limitation any party assuming the obligations of the Company in respect of the Bonds issued under the Bond Mortgage and Security Agreement.

"Default" shall mean any event which would constitute an Event of Default if any requirement in connection therewith for the giving of notice or the lapse of time or the happening of any further condition, event or act had been satisfied.

"Equipment" or "Items of Equipment" shall mean the equipment described in Schedule 1 hereto, together with any and all accessories, appliances, equipment, parts and appurtenances, whether now owned or hereafter acquired, from time to time incorporated or installed therein or thereon and "Item" or "Item of Equipment" shall mean any one of said Items of Equipment.

"Event of Default" shall mean any of the events specified in Section 5.1 hereof to constitute an Event of Default.

"Indebtedness Hereby Secured" shall mean the Bonds and all principal thereof (and premium, if any) and interest thereon and all additional amounts and other sums at any time due and owing from or required to be paid by the Company or its successor and assigns under the terms of the Bonds or Bond Mortgage and Security Agreement.

"Lease" shall mean the Equipment Lease dated as of August 15, 1974 among the Debtor, as lessor, and the Lessee, as lessee.

"Lenders" shall mean the Interim Lender under the Interim Loan Agreement and the Term Lenders under the Term Loan Agreements.

"Lessee" shall mean North American Car Corporation, a Delaware corporation, as lessee under the Lease.

"Loan Agreements" shall mean the separate and several Interim and Term Loan Agreements each dated as of August 15, 1974 between the Company and the Lenders.

"Rent" shall mean for any one Item of Equipment, the aggregate interim rents and fixed rents payable, if any, for such Item pursuant to Section 2.1 of the Lease and for all Items, the aggregate of all such interim rents and fixed rents payable for all Items.

SECTION 2. COVENANTS AND WARRANTIES OF THE DEBTOR.

The Debtor covenants, warrants and agrees for the benefit of the Security Trustee and the holders of the Bonds as follows:

Section 2.1. Warranty of Title. The Debtor has the right, power and authority to grant a security interest in the Collateral to the Security Trustee for the uses and purposes herein set forth; and the Debtor will warrant and defend the title to the Collateral against all claims and demands of persons claiming by, through or under the Debtor (excepting only the right, title and interest of the Lessee, as lessee, under the Lease).

Section 2.2. Further Assurances. The Debtor will at its own expense do, execute, acknowledge and deliver all further acts, deeds, conveyances, transfers and assurances necessary or proper for the perfection of the security interest being granted in respect of the Collateral. Without limiting the foregoing but in furtherance of the security interest herein granted in the rents and other sums due and to become due under the Lease, the Debtor covenants and agrees that it will notify the Lessee of such assignment pursuant to Section 16 of the Lease and direct the Lessee to make all payments of such rents and other sums due and to become due under the Lease directly to the Security Trustee or as the Security Trustee may direct.

Section 2.3. Recordation and Filing. The Debtor will cause the Company to record this Security Agreement and all supplements hereto, the Lease and all supplements thereto, and all financing and continuation statements and similar notices required by applicable law, at all times to be kept, recorded and filed at the expense of the Company in such manner and in such places as may be required by law in order fully to preserve and protect the rights of the Security Trustee hereunder, and will cause the Company, at its expense to furnish to the Security Trustee promptly after the execution and delivery of this Security Agreement and of each supplemental Security Agreement an opinion of counsel stating that in the opinion of such counsel this Security Agreement or such supplement, as the case may be, has been properly recorded or filed for record so as to make effective of record the security interest intended to be created hereby.

Section 2.4. Modifications of the Lease. The Debtor will not:

(a) declare a default or exercise the remedies of the lessor under, or terminate, modify or accept a surrender of, or offer or agree to any termination, modification or surrender of the Lease (except as otherwise expressly provided herein);

(b) receive or collect or permit the receipt or collection of any rental payment under the Lease prior to the date for the payment thereof provided for by the Lease or assign, transfer or hypothecate (other than to the Security Trustee hereunder) any rent payment then due or to accrue in the future under the Lease; or

(c) sell, mortgage, transfer, assign or hypothecate its interest in the Equipment or any part thereof or in any amount to be received by it from the use or disposition of the Equipment.

Section 2.5. Power of Attorney in Respect of the Lease.

The Debtor does hereby irrevocably constitute and appoint the Security Trustee, its true and lawful attorney with full power of substitution, for it and in its name, place and stead, to ask, demand, collect, receive, receipt for, sue for, compound and give acquittance for any and all rents, income and other sums which are assigned under the granting clause hereof with full power to settle, adjust or compromise any claim thereunder as fully as the Debtor could itself do, and to endorse the name of the Debtor on all commercial paper given in payment or in part payment thereof, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Debtor or otherwise, with the Security Trustee may deem necessary or appropriate to protect and preserve the right, title and interest of the Security Trustee in and to such rents and other sums and the security intended to be afforded hereby.

SECTION 3. APPLICATION OF ASSIGNED RENTALS AND CERTAIN OTHER MONEYS RECEIVED BY THE SECURITY TRUSTEE.

Section 3.1. Application of Moneys. As more fully set forth in the granting clauses hereof, the Debtor has hereby granted to the Security Trustee a security interest in Rents and other sums due and to become due under the Lease as security for the Bonds. So long as no Event of Default, as defined in Section 4 hereof, has occurred and is continuing to the knowledge of the Security Trustee, the Security Trustee shall disburse such sums in accordance with Section 5 of the Bond Mortgage and Security Agreement.

Section 3.2. Default. If an Event of Default referred to in Section 4 hereof has occurred and is continuing to the knowledge of the Security Trustee, all amounts received by the Security Trustee pursuant to the granting clause hereof shall be applied in the manner provided for in Section 4 in respect of proceeds of the Collateral.

SECTION 4. DEFAULTS AND REMEDIES.

Section 4.1. Events of Default. Any of the following occurrences or acts shall constitute an Event of Default under this Security Agreement:

(a) Default in payment of an installment of the principal of, or interest on, any Bond when and as the same shall become due and payable, whether at the due date thereof or at the date fixed for prepayment or by acceleration or otherwise, any any such default shall continue unremedied for five days; or

(b) An Event of Default as set forth in Section 14 of the Lease or Section 7.1 of the Bond Mortgage and Security Agreement or the termination of the Lease or the Bond Mortgage and Security Agreement, respectively, by operation of law or otherwise; or

(c) Default on the part of the Debtor in the due observance or performance of any covenant or agreement to be observed or performed by it under this Security Agreement, and such default shall continue unremedied for 30 calendar days after written notice from the Security Trustee or the holder of any Bond to the Company and the Debtor specifying the default and demanding the same to be remedied; or

(d) Any representation or warranty made herein or in the Bond Mortgage and Security Agreement or in the Loan Agreements or in any report, certificate, financial or other statement furnished in connection with this Security Agreement, the Bond Mortgage and Security Agreement, the Lease or the Loan Agreements, or the transactions contemplated thereby shall prove to be false or misleading in any material respect as of the date of the issuance or making thereof and shall not be made good within 30 days after notice thereof from the Security Trustee or the holder of any Bond to the Debtor; or

(e) Any claim, lien or charge (other than the Lease and liens, charges and encumbrances which the Lessee is obligated to discharge under Section 9 of the Lease) shall be asserted against or levied or imposed upon the Equipment, and such claim, lien or charge shall not be discharged or removed within 30 calendar days after written notice from the Security Trustee or the holder of any Bond to the Debtor demanding the discharge or removal thereof;

(f) The Debtor shall (i) make an assignment for the benefit of its creditors, (ii) admit in writing its inability to pay its debts generally as they become due, (iii) file a petition to take advantage of any applicable insolvency or reorganization statute, (iv) suspend payment of its obligations, (v) become insolvent, (vi) consent to the appointment of any receiver, conservator, liquidating agent or committee or governmental authority in any insolvency, readjustment of debt, marshalling of assets or liabilities or similar proceedings of or relating to the Debtor or of or relating to all or any substantial part of its property, or (vii) take any corporate action for the purpose of effecting any of the foregoing; or

(g) An order, judgment or decree of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets or liabilities or similar proceedings of or relating to the Debtor or of or relating to all or any substantial part of its property, or the winding-up or liquidation of its affairs, shall have been entered without the consent of the Debtor, and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days from the date of entry thereof; or

(h) The rights, privileges or franchises of the Debtor to do business as a bank shall be declared forfeited by any governmental authority or any court of competent jurisdiction and not restored or the order, decree, or judgment related thereto effectively stayed by appropriate proceedings within 30 days thereafter.

Section 4.2. Security Trustee's Rights. The Debtor agrees that when any Event of Default has occurred, and is continuing, the Security Trustee shall, without limitation of all other rights and remedies available at law or in equity, have the rights, options, duties and remedies of a secured party, and the Debtor shall have the rights and duties of a debtor, under the Uniform Commercial Code of Illinois (regardless of whether such Code or a law similar thereto has been enacted in a jurisdiction wherein the rights or remedies are asserted) and without limiting the foregoing, may exercise any one or more of all, and in any order, or the remedies hereinafter set forth, it being expressly understood that no remedy

herein conferred is intended to be exclusive of any other remedy or remedies; but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

(a) The Security Trustee may, and upon the written request of the holders of at least 25% in principal amount of the Bonds then outstanding shall, by notice in writing to the Company and the Debtor, declare the entire unpaid balance of the Bonds to be immediately due and payable; and thereupon all such unpaid balance, together with all accrued interest thereon, shall be and become immediately due and payable;

(b) Subject always to the then existing rights, if any, of the Lessee under the Lease, the Security Trustee, personally or by agents or attorneys, shall have the rights (subject to compliance with any applicable mandatory legal requirements) to terminate the Lease and all rights of possession of the Debtor thereunder and to take immediate possession of the Equipment, or any portion thereof, and for that purpose may pursue the same whenever it may be found, and may enter any of the premises of the Debtor with or without notice, demand, process of law or legal procedure, and search for, take possession of, remove, keep and store the same or use and operate or lease the same until sold and may otherwise exercise any and all of the rights and powers of the Debtor in respect thereof;

(c) Subject always to the then existing rights, if any, of the Lessee under the Lease, the Security Trustee, may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to the Debtor once at least ten days prior to the date of such sale, and any other notice which may be required by law, sell and dispose of the Collateral, or any part thereof, at public auction to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as

the Security Trustee may determine, and at any place (whether or not it be the location of the Collateral or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further notice, and the Security Trustee or the holder or holders of any Bonds, or of any interest therein, may bid and become the purchaser at any such sale;

(d) Subject always to the then existing rights, if any, of the Lessee under the Lease, the Security Trustee may proceed to protect and enforce this Security Agreement and said Bonds by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral or any part thereof, or for the recovery of judgment against the Company and/or the Debtor for the Indebtedness Hereby Secured or for the enforcement of any other proper, legal or equitable remedy available under applicable law; and

(e) Subject always to the then existing rights, if any, of the Lessee under the Lease, the Security Trustee may proceed to exercise all rights, privileges and remedies of the lessor under the Lease, and may exercise all such rights and remedies either in the name of the Security Trustee or in the name of the lessor for the use and benefit of the Security Trustee.

Section 4.3. Acceleration Clause. In the case of any sale of the Collateral, or of any part thereof, pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Security Agreement, the principal of the Bonds, if not previously due, and the interest accrued thereon and all other sums required to be paid by the Company pursuant to this Security Agreement, shall at once become and be immediately due and payable; also in the case of any such sale, the purchaser or purchasers, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use the Bond or Bonds and any claims for interest matured and unpaid thereon, in order that there may be credited as paid on the purchase price the sum apportionable and applicable to the Bonds including principal and interest thereof out of the net proceeds of such sale after allowing for the proportion of the total purchase price required to be paid in actual cash.

Section 4.4. Waiver by the Debtor. To the extent now or at any time hereafter enforceable under applicable law, the Debtor covenants that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any benefit or advantage of, any stay or extension law now or at any time hereinafter in force, nor claim, take nor insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the Collateral or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction; nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every person, except decree or judgment creditors of the Company acquiring any interest in or title to the Collateral or any part thereof subsequent to the date of this Security Agreement, all benefit and advantage of any such law or laws, and the Debtor covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to the Security Trustee, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 4.5. Effect of Sale. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Debtor in and to the property sold and shall be a perpetual bar, both at law and in equity, against the Debtor and its successors and assigns, and against any and all persons claiming the property sold or any part thereof under, by or through the Debtor and its successors or assigns.

Section 4.6. Application of Sale Proceeds. The purchase money proceeds and/or avails of any sale of the Collateral, or any part thereof, and the proceeds and the avails of any remedy hereunder shall be paid to and applied as follows:

(a) To the payment of costs and expenses of foreclosure or suit, if any, and of such sale, and of all proper expenses, liability and advances, including legal expenses and attorneys' fees, incurred or made hereunder by the Security Trustee, or the holder or holders of the Bonds, and of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made;

(b) To the payment to the holder or holders of the Bonds of the amount then owing or unpaid on the Bonds for principal and interest, and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon the Bonds, then ratably according to the aggregate of such principal and the accrued and unpaid interest without preference or priority as between principal, interest or premium; such application to be made upon presentation of the several Bonds, and the notation thereon of the payment, if partially paid, or the surrender and cancellation thereof, if fully paid; and

(c) To the payment of the surplus, if any, to the Debtor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

Section 4.7. Discontinuance of Remedies. In case the Security Trustee shall have proceeded to enforce any right under this Security Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case the Debtor, the Security Trustee and the holders of the Bonds shall be restored to their former positions and rights hereunder with respect to the property subject to the security interest created under this Security Agreement.

Section 4.8. Cumulative Remedies. No delay or omission of the Security Trustee or of the holder of any Bond to exercise any right or power arising from any default, shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Security Trustee or the holder of any Bond of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom except as may be otherwise provided therein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the Indebtedness Hereby Secured operate to prejudice, waive or affect the security of this Security Agreement or any rights, powers or remedies hereunder or thereunder, nor shall the Security Trustee or holder of any of the Bonds be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

Section 4.9. Waivers, Consents and Amendments to Bond Mortgage and Security Agreement and Bonds. Compliance with any term, covenant, agreement or condition of this Security Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), if the Security Trustee shall have obtained the consent in writing of the holders of not less than 66-2/3% in aggregate principal amount of outstanding Bonds; provided, however, that without the written consent of the holders of all of the Bonds then outstanding no such waiver, modification, alteration or amendment shall be effective against the holder of any Bond without his consent to change the obligation of the Company in respect of the amount or time of payment of the principal or interest on any Bond then outstanding as set forth therein, or to reduce the percentage in principal amount of the Bonds required to approve any such amendment, or to subordinate the Bonds or the lien and security interest created by this Security Agreement or the Bond Mortgage and Security Agreement in favor of other creditors of the Debtor or the Company, and no such waiver shall be effective against the Security Trustee without its consent to modify its rights and duties hereunder. This Security Agreement and the Bonds may also be amended from time to time by agreements expressly amending the same, which agreements, when duly executed by the Debtor may be executed by the Security Trustee upon receipt of the written consent of the holders of not less than 66-2/3% in aggregate principal amount of the Bonds then outstanding, to make any other changes in the provisions of this Security Agreement and/or the Bonds, but no such amendment shall be effective against the holder of any Bond without his consent to change the obligation of the Company or the Debtor in respect of the amount or time or payment of the principal or interest on any Bond then outstanding as set forth therein, or to reduce the percentage in principal amount of the Bonds required to approve any such amendment, or to subordinate the Bonds or the lien and security interest hereof in favor of other creditors of the Company or the Debtor, and no such amendment shall be effective against the Security Trustee without its consent to modify its rights and duties hereunder.

SECTION 5. THE SECURITY TRUSTEE.

Section 5.1. Certain Duties and Responsibilities of Security Trustee. (a) Except during the continuance of an Event of Default to the knowledge of the Security Trustee:

(1) the Security Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Security Agreement, and no implied covenants or obligations shall be read into this Security Agreement against the Security Trustee; and

(2) in the absence of bad faith on its part, the Security Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Security Trustee and conforming to the requirements of this Security Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Security Trustee, the Security Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Security Agreement.

(b) In case an Event of Default has occurred and is continuing to the knowledge of the Security Trustee, the Security Trustee shall exercise such of the rights and powers vested in it by this Security Agreement, and use the same degree of care and skill in its exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Security Agreement shall be construed to relieve the Security Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that:

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(2) the Security Trustee shall not be liable for any error of judgment made in good faith by an officer of the Security Trustee unless it shall be proved that the Security Trustee was negligent in ascertaining the pertinent facts; and

(3) the Security Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of a majority in principal amount of the Bonds outstanding.

(d) No provision of this Security Agreement shall require the Security Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(e) Whether or not therein expressly so provided, every provision of this Security Agreement relating to the conduct or affecting the liability of or affording protection to the Security Trustee shall be subject to the provisions of this Section.

Section 5.2. Compensation of Security Trustee. The Security Trustee shall be entitled to reasonable compensation (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) for all services rendered, and to reimbursement for all reasonable expenses, disbursements and advances incurred or made by it, in and about the administration of the trusts herein provided for and in and about foreclosure, enforcement or other protection of this Security Agreement or the lien and security interest hereof (including reasonable compensation and expenses and disbursements of its counsel and if all persons not regularly in its employ). The Debtor agrees to pay such compensation for services of the Security Trustee and to reimburse it for such expenses, disbursements and advances. The Debtor agrees to indemnify and save harmless the Security Trustee from and against all loss, liability and expense incurred in good faith and without negligence on its part in the exercise or performance of any rights, remedies or duties under this Security Agreement. Without limiting the foregoing the Security Trustee shall have a lien for such compensation, reimbursement and indemnity on the Collateral prior to the lien and security interest for the benefit of the Bonds.

Section 5.3. Certain Rights of the Security Trustee.

(a) The Security Trustee shall not be responsible for any recitals herein, the Loan Agreements or the Lease or for insuring or inspecting the Equipment or for paying or discharging any tax, assessment, governmental charge or lien affecting the Collateral or for the recording, filing or refiling of this Security Agreement, or of any supplement or further security agreement or trust deed, nor shall the Security Trustee be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements contained herein, the Loan Agreements or the Lease, and except in the case of a default in the payment of the principal of, or premium, if any, or interest on any Bond or a default of which the Security Trustee has actual knowledge, the Security Trustee shall be deemed to have knowledge of any default in the performance or observance of any such covenants, conditions or agreements only upon receipt of written notice thereof from one of the holders of the Bonds; provided, however, that upon receipt by the Security Trustee of such written notice from a holder of a Bond, the Security Trustee shall promptly notify all other holders of Bonds of such notice and the default referred to therein, by prepaid registered or certified mail addressed to them at their addresses set forth in the Register.

(b) The Security Trustee makes no representation or warranty as to the validity, sufficiency or enforceability of this Security Agreement, the Bonds, the Loan Agreements, the Lease or any instrument included in the Collateral, or as to the value, title,

condition, fitness for use of, or otherwise with respect to the Collateral. The Security Trustee shall not be accountable to anyone for the use of application of any of the Bonds or the proceeds thereof or for the use or application of any property or the proceeds thereof which shall be released from the security interest herein in accordance with the provisions of this Security Agreement.

(c) The Security Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(d) Any request, direction or authorization by the Debtor shall be sufficiently evidenced by a request, direction or authorization in writing, delivered to the Security Trustee, and signed by its Chairman of the Board, President, any Vice President, Treasurer or Secretary; and any resolution of the Board of Directors of the Debtor shall be sufficiently evidenced by a copy of such resolution certified by its Secretary or an Assistant Secretary to have been duly adopted and to be in full force and effect on the date of such certification, and delivered to the Security Trustee.

(e) Whenever in the administration of the trust herein provided for the Security Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate purporting to be signed by the Chairman of the Board, President, and Vice President, Treasurer or Secretary of the Debtor and delivered to the Security Trustee, and such certificate shall be full warrant to the Security or any other person for any action taken, suffered or omitted on the faith thereof but in its discretion the Security Trustee may accept, in lieu thereof, other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(f) The Security Trustee may consult with counsel, appraisers, engineers, accountants and other skilled persons to be selected by the Security Trustee, and the written advice of any thereof shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by them hereunder in good faith and in reliance thereon.

(g) The Security Trustee shall be under no obligation to take any action to protect, preserve or enforce any rights or interests in the Collateral or to take any action towards the execution or enforcement of the trusts hereunder or otherwise hereunder, whether on its own motion or on the request of any other person, which in the opinion of the Security Trustee may involve, loss, liability

of expense, unless the Debtor or one or more holders of the Bonds outstanding shall offer and furnish reasonable security or indemnity against loss, liability and expense to the Security Trustee.

(h) The Security Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Security Agreement.

(i) The Security Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond note or other paper or document, unless requested in writing to do so by the holders of not less than a majority in principal amount of the Bonds then outstanding.

(j) The provisions of paragraphs (c) to (i), inclusive, of this Section 5.3 shall be subject to the provisions of Section 5.1 hereof.

Section 5.4. Showings Deemed Necessary by Security Trustee. Notwithstanding anything elsewhere in this Security Agreement contained, the Security Trustee shall have the right, but shall not be required, to demand in respect of withdrawal of any cash, the release of any property, the subjection of any after-acquired property to this Security Agreement, or any other action whatsoever within the purview hereof, any showings, certificates, opinions, appraisals or other information by the Security Trustee deemed necessary or appropriate in addition to the matters by the terms hereof required as a condition precedent to such action.

Section 5.5. Status of Moneys Received. All moneys received by the Security Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys, except to the extent required by law, and may be deposited by the Security Trustee under such general conditions as may be prescribed by law in the Security Trustee's general banking department, and the Security Trustee shall be under no liability for interest on any moneys received by it hereunder. The Security Trustee and any affiliated corporation, may become the owner of any Bond secured hereby and be interested in any financial transaction with the Company or any affiliated corporation, or the Security Trustee may act as depositary or otherwise in respect to other securities of the Company or any affiliated corporation, all with the same rights which it would have if not the Security Trustee.

Section 5.6. Resignation of Security Trustee. The Security Trustee may resign and be discharged from the trusts created hereby by delivering notice thereof, by certified or registered mail, postage prepaid, to the Debtor, the Company and all holders of the Bonds at the time outstanding, specifying a date (not earlier than 60 days after the date of such notice) when such resignation shall take effect.

Such resignation shall take effect on the day specified in such notice, unless previously a successor Security Trustee shall have been appointed as provided in Section 5.9, in which event such resignation shall take effect immediately upon the appointment of such successor Security Trustee.

Section 5.7. Removal of Security Trustee. The Security Trustee may be removed at any time, for or without cause, by an instrument or instruments in writing executed by the holders of a majority in aggregate principal amount of the Bonds at the time outstanding and delivered to the Security Trustee with a copy to the Debtor, specifying the removal and the date when it shall take effect.

Section 5.8. Appointment of Successor Security Trustee. In case at any time the Security Trustee shall resign or be removed or become incapable of acting, a successor Security Trustee may be appointed by the holders of a majority in aggregate principal amount for the Bonds at the time outstanding, by an instrument or instruments in writing executed by such Bondholders and filed with such successor Security Trustee.

Until a successor Security Trustee shall be so appointed by the Bondholders, the Debtor shall appoint a successor Security Trustee to fill such vacancy, by an instrument in writing executed by the President, or any Vice President of the Debtor and delivered to the successor Security Trustee. If all or substantially all of the Collateral shall be in the possession of one or more receivers, trustees, liquidators or assignees for the benefit of creditors, then such receivers, trustees, custodians, liquidators or assignees may, by an instrument in writing delivered to the successor Security Trustee, appoint a successor Security Trustee. Promptly after any such appointment, the Debtor, or any such receivers, trustees, custodians, liquidators or assignees, as the case may be, shall give notice thereof by certified or registered mail, postage prepaid, to each holder of the Bonds at the time outstanding.

Any successor Security Trustee so appointed by the Debtor, or such receivers, trustees, custodians, liquidators or assignees shall immediately and without further act be superseded by a successor Security Trustee appointed by the holders of a majority in aggregate principal amount of the Bonds then outstanding.

If a successor Security Trustee shall not be appointed pursuant to this Section within six months after a vacancy shall have occurred in the office of the Security Trustee, the holder of any Bond or such retiring Security Trustee (unless the retiring Security Trustee is being removed) may apply to any court of competent jurisdiction to appoint a successor Security Trustee, and such court may thereupon, after such notice, if any, as it may consider proper, appoint a successor Security Trustee.

Section 5.9. Succession of Successor Security Trustee. Any successor Security Trustee appointed hereunder shall execute, acknowledge and deliver to the Debtor and the predecessor Security Trustee an instrument accepting such appointment, and thereupon such successor Security Trustee, without any further act, deed, conveyance or transfer, shall become vested with the title to the Collateral, and with all the rights, powers, trusts, duties and obligations of the predecessor Security Trustee in the trust hereunder, with like effect as if originally named as Security Trustee herein.

Upon the request of any such successor Security Trustee, however, the Debtor and the predecessor Security Trustee shall execute and deliver such instrument of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Security Trustee the title to the Collateral and all such rights, powers, trusts, duties and obligation of the predecessor Security Trustee hereunder, and the predecessor Security Trustee shall also assign and deliver to the successor Security Trustee any property subject to this Security Agreement which may then be in its possession.

Any Security Trustee which has resigned or been removed shall nevertheless retain any security interest in the Collateral afforded to it by Section 5.2 hereof.

Section 5.10. Eligibility of Security Trustee. The Security Trustee shall be a state or national bank or trust company in good standing, organized under the laws of the United States of America or of the State of Minnesota and having its principal office in the City of Minneapolis, having a capital, surplus and undivided profits aggregating at least \$25,000,000, if there be such a bank or trust company willing and able to accept such trust upon reasonable and customary terms.

In case the Security Trustee shall cease to be eligible in accordance with the provisions of this Section, the Security Trustee shall resign immediately in the manner and with the effect specified in Section 5.7 hereof.

Section 5.11. Successor Security Trustee by Merger. Any corporation into which the Security Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Security Trustee shall be a party, or any state or national bank or trust company in any manner succeeding to the corporate trust business of the Security Trustee as a whole or substantially as a whole, if eligible as provided in Section 5.10, shall be the successor of the Security Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything to the contrary contained herein notwithstanding.

Section 5.12. Appointment of Co-Security Trustees or Separate Security Trustees. If at any time or times it shall be necessary or prudent in order to conform to any law of any jurisdiction in which the Equipment or any thereof is located, or the Security Trustee shall be advised by counsel, satisfactory to it, that it is so necessary or prudent in the interest of the holders of the Bonds, the Security Trustee and the Debtor shall execute and deliver all instruments and agreements necessary or proper to constitute another bank or trust company or one or more persons approved by the Security Trustee, either to act as co-security trustee or co-security trustees, jointly with the Security Trustee, or to act as separate security trustee or security trustees hereunder. In the event the Debtor shall have not joined in the execution of such instruments and agreements within ten days after the receipt of a written request from the Security Trustee so to do, or in case an Event of Default shall happen and be continuing, the Security Trustee may act under the foregoing provisions of this Section 5.12 without the concurrence of the Debtor; and the Debtor hereby appoints the Security Trustee its agent and attorney to act for it under the foregoing provisions of this Section 5.12 in either of such contingencies.

Every additional security trustee hereunder shall, to the extent permitted by law, be appointed and act and be such and the Security Trustee and its successors shall act and be such, subject to the following provisions and conditions, namely:

(1) the Bonds shall be executed and delivered, and all powers, duties, obligations and rights conferred upon the Security Trustee in respect of the custody, control and management of moneys, papers or securities shall be exercised, solely by First National Bank of Minneapolis or its successors as Security Trustee hereunder.

(2) all rights, powers, duties and obligations conferred or imposed upon the Security Trustee shall be conferred or imposed upon and exercised or performed by First National Bank of Minneapolis or its successor as Security Trustee,

and such additional security trustee or security trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, the Security Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such additional security trustee or security trustees;

(3) no power given to, or which it is provided hereby may be exercised by, any such additional security trustee or security trustees, shall be exercised by such additional security trustee or security trustees except jointly with, or with the consent in writing of, First National Bank of Minneapolis or its successor as Security Trustee, anything herein contained to the contrary notwithstanding;

(4) no security trustee hereunder shall be personally liable by reason of any act or omission of any other security trustee hereunder; and

(5) the Debtor and the Security Trustee, at any time, by an instrument in writing, executed by them jointly, may remove any such additional security trustee, and in that case, by an instrument in writing executed by them jointly, may appoint a successor or successors to such additional security trustee or security trustees, as the case may be, anything herein contained to the contrary notwithstanding. In the event that the Debtor shall not have joined in the execution of any such instrument within ten days after the receipt of a written request from the Security Trustee so to do, the Security Trustee shall have the power to remove any such additional security trustee and to appoint a successor additional security trustee without the concurrence of the Debtor; the Debtor hereby appointing the Security Trustee its agent and attorney to act for it in such connection in such contingency. In the event that the Security Trustee alone shall have appointed an additional security trustee or security trustees as above provided, it may at any time, by an instrument in writing, remove any such additional security trustee, the successor to any such additional security trustee so removed to be appointed by the Debtor and the Security Trustee, or by the Security Trustee alone, as hereinbefore in this Section 5.12 provided.

SECTION 6. LIMITATIONS OF LIABILITY OF THE DEBTOR.

It is expressly understood and agreed that anything in this Security Agreement, the Bond Mortgage and Security Agreement, the Loan Agreements, the Bonds, the Lease, any certificate, opinion or document of any nature whatsoever to the contrary notwithstanding, neither the Security Trustee nor the holder of any Bond nor their respective successors or assigns shall have any claim, remedy or right to proceed (in law or equity) against the Debtor in its individual corporate capacity (except in the case of the gross negligence or wilful misconduct of the Debtor) for any deficiency or any other sum owing on account of the indebtedness evidenced by the Bonds or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever from any source other than the Equipment and the Lease and the Security Trustee by the execution hereof, and the Lenders by their execution of the Loan Agreements, and the holders of the Bonds by acceptance thereof waive and release any liability of the Debtor in its individual corporate capacity (except in the case of the gross negligence or wilful misconduct of the Debtor) for and on account of such indebtedness or such liability; and the Security Trustee and the holders of the Bonds agree to look solely to the Equipment and to the Lease for the payment of said indebtedness or the satisfaction of such liability.

SECTION 7. MISCELLANEOUS.

Section 7.1. Successors and Assigns. Whenever any of the parties hereto is referred to such reference shall be deemed to include the successors and assigns of such party; and all the covenants, premises and agreements in this Security Agreement contained by or on behalf of the Company or by or on behalf of the Security Trustee shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

Section 7.2. Partial Invalidity. The unenforceability or invalidity of any provision or provisions of this Security Agreement shall not render any other provision or provisions herein contained unenforceable or invalid, provided that nothing contained in this Section 7.2 shall be construed to amend or modify the immunities of the Debtor in its individual corporate capacity provided for in Section 6 hereof, or to amend or modify any limitations or restrictions of the Security Trustee or the holder of any Bond or its successor or assign under said Section 6.

Section 7.3. Communications. All communications provided for herein shall be in writing. Communications to the Company or the Security Trustee shall be deemed to have been given (unless

otherwise required by the specific provisions hereof in respect of any matter) when addressed and delivered as follows:

If to the Debtor: First National Bank and Trust
Company of Evanston
Post Office Box 712
Evanston, Illinois 60204
Attention: Senior Loan Officer

If to the Security Trustee: First National Bank of Minneapolis
120 South Sixth Street
Minneapolis, Minnesota 55480

or to the Debtor or the Security Trustee at such other address as the Debtor or the Security Trustee may designate by notice duly given in accordance with this Section to the other party. Communications to the holder of a Bond shall be deemed to have been given (unless otherwise provided for by the specific provisions hereof in respect of any matter) when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, addressed to such holder at its address set forth in the Register.

Section 7.4. Release. The Security Trustee shall release this Security Agreement and the security interest granted hereby by proper instrument or instruments upon presentation of satisfactory evidence that all Indebtedness Hereby Secured has been fully paid or discharged.

Section 7.5. Counterparts. This Security Agreement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Security Agreement.

Section 7.6. Illinois Law Governs. The provisions of this Security Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of Illinois.

Section 7.7. Headings. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this Security Agreement nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the Debtor has cause this Security Agreement to be executed and the Security Trustee in evidence of its acceptance of the trusts hereby created, has caused this Security Agreement to be executed on its behalf by one of its VICE PRESIDENT and its corporate seal to be hereunto affixed, and said seal and Security Agreement to be attested by its ASSISTANT SECRETARY all as of the day and year first above written.

FIRST NATIONAL BANK AND TRUST
COMPANY OF EVANSTON

By

Andy
Its VICE PRESIDENT

AS DEBTOR

(SEAL)

ATTEST:

Norma C. Michael
Its

ASSISTANT CASHIER

FIRST NATIONAL BANK OF MINNEAPOLIS

By

P. H. M.
Its VICE PRESIDENT

AS SECURITY TRUSTEE

(SEAL)

ATTEST:

[Signature]
Its

ASSISTANT SECRETARY

STATE OF ILLINOIS

)
) SS
)

COUNTY OF COOK

On this 6th day of September, 1974, before me personally appeared O. M. Lynch, to me personally known, who being by me duly sworn, says that he is the Vice-President of First National Bank and Trust Company of Evanston, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Walter B. Muirhead
Notary Public

(SEAL)

My Commission Expires

My Commission Expires: _____

STATE OF MINNESOTA

)
) SS
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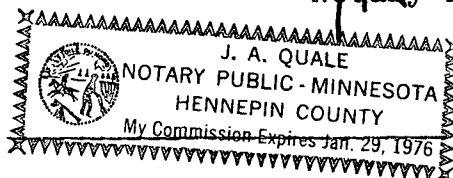
COUNTY OF HENNEPIN

On this 9th day of September, 1974, before me personally appeared P. D. SCHLIESMAN, to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT of First National Bank of Minneapolis, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

J. A. Quale
Notary Public

(SEAL)

My Commission Expires: _____



DESCRIPTION OF EQUIPMENT

TWO HUNDRED CLASS FB 70-TON FLAT CARS BEARING SERIAL NUMBERS 52850 TO 53049, BOTH INCLUSIVE, AND BEARING ROAD NUMBERS BCIT 818250 TO BCIT 818449, BOTH NUMBERS INCLUSIVE, to be leased to North American Car Corporation pursuant to an Equipment Lease dated as of August 15, 1974 between The First National Bank and Trust Company of Evanston, as lessor, and North American Car Corporation, as lessee.

SCHEDULE 1
to Security Agreement (Trust Deed)